

Pitfalls in Utilization of Subcontracted Criticality Safety Staff

Kevin J. Carroll

NUCLEAR CRITICALITY SAFETY WORKSHOP
ENERGY TRAINING COMPLEX
ALBUQUERQUE, NM
October 23 —24, 2000

LOCKHEED MARTIN ENERGY SYSTEMS, INC.

Oak Ridge Y-12 Plant
Managed by Lockheed Martin Energy Systems, Inc.
For the U. S. DEPARTMENT OF ENERGY
Under contract DE-AC05-84OR21400

24 October, 2000

DISCLAIMER

This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, make any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.

Using Subcontractors

¥ Circumstances

- Surge Capacity
- Limited Term Projects
- Staff Augmentation in absence of Permanent Staff

¥ Advantages

- Permanent Staff stability
- Business choice to avoid long term fiscal obligations
- Necessity
- To provide time for permanent staff qualification and growth

Y-12 Experiences

¥ Based on combination of Plant Restart, Modernization, and D&D activities, heavy reliance on subcontractors as staff augmentation

¥ Challenges

—training/qualification investment

¥ we have subcontractors

—experience board to tailor qualification requirements

—either qualify in task qualification, or work is reviewed by a qualified analyst before going to peer reviewer

—includes qualification in facility for area of process

¥ does create drain on existing resources

—Time schedule to

- ¥ find subcontractor

- ¥ get contract in place

- ¥ in house overhead (1 - 3 months) before in field

- ¥ additional time as subs required to become familiar with process in field, including interface with operators

- ¥ training/familiarization costs reoccur as you change subcontractors

- ¥ knowledge leaves plant with the subcontractor

—We tend to keep subcontractors for multiple years if possible to keep continuity of contacts for Operations and knowledge retention, but vulnerable to a 6240 rule and sole source/open bid contracting

- any up manning has inherent bottle neck in peer reviewer/experienced staff
- additional costs of contract administration
- vulnerability to budget drills

- ¥ Budgeting difficulties for Operations with multiple cost centers
- ¥ To be truly effective as staff augmentation, need empower sub like permanent person - but then individuals doing same work at significant pay differential

Other Issues

¥ Where entire plant is limited lifetime

¥ M&I

—by nature subcontractors

—exclusivity clause

Subcontractors and the Budget

